



**HUMAN RESOURCES OFFICE  
TECHNICIAN / AGR ADMINISTRATIVE INSTRUCTION**

Number: 05-18

25 April 2005

**FEDERAL EMPLOYEES HEALTH BENEFITS (FEHB) RETROACTIVE  
REIMBURSEMENT CLAIMS FOR TECHNICIANS ON ACTIVE DUTY  
SUPPORTING A CONTINGENCY OPERATION**

1. Reference TAAI 04-05, dated 7 May 2004, same subject. Technicians called to active duty in support of a contingency operation that paid FEHB premiums **prior to 28 December 2001 but on or after 8 December 1995** are entitled to reimbursement of those premiums.

2. In order to file a claim for reimbursement of Federal Employee Health Benefits (FEHB), for premiums paid during active duty, you must meet the following criteria:

a. Enrolled in FEHB and paid the technician share of premiums, either by payroll deduction, after return from active duty, or by direct payments to payroll during active duty.

b. Ordered to active duty, (voluntarily or involuntarily) in support of a contingency operation as defined in section 101(a)(13) of Title 10, United States Code and must have been placed on LWOP-US or separated from Federal civilian service for active duty.

c. Served on active duty for more than 30 consecutive days for each period claimed for reimbursement. Maximum eligibility time for each period is 18 months. **Time that the technician is in a paid leave status during the 18 months CANNOT be claimed.**

3. To file a claim, you must:

a. Complete a claim request (enclosure #1) for the retroactive reimbursement of FEHB for the time period when you were called to active duty in support of a contingency operation, and health premiums were collected from pay or out-of-pocket through cash reimbursement. Your claim must include; Name, Social Security Number, current home address, FEHB enrollment code, beginning and ending dates for periods claimed (month, day and year). If deductions were withheld from an incentive award and not reimbursed, ending date of pay period that award was paid, plus Leave and Earnings Statements (LES). If FEHB premiums were paid directly to payroll by check or money order during active military service, supporting documentation, such as cancelled checks, are required.

TAAI 05-18, dated 25 April 2005

SUBJECT: Federal Employees Health Benefits (FEHB) Retroactive Reimbursement Claim

b. Submit supporting proof of qualifying service. Examples of valid written orders include statutory authority listed on orders in section 12301(a), 12302, or 12304 of Title 10, United States Code. Orders must state that the duty was in support of one of the contingencies operations (such as Noble Eagle, Enduring Freedom, Iraqi Freedom, Southern Watch, Northern Watch, Joint Endeavor, Joint Guard, etc.), and the statutory authority is a provision of Title 10, United States Code. Army National Guard or Air National Guard ordered to duty under Title 32, United States Code, or any provision of state or territorial law, or the District of Columbia Code are not eligible.

c. Submit the claim and required supporting documentation to the Directorate of Human Resources, ATTN: Customer Services. Customer Services will verify that the technician's active duty was in support of a contingency operation and that the technician paid FEHB premiums. Customer Services will forward the claim to DFAS retaining a copy of the claim, military orders and any other supporting documentation.

3. See enclosure #2 for frequently asked questions and answers. If you need additional information, contact Ms. Lisa Nagata at CAGNET 63601, DSN 466-3601 or (916) 854-3601.

Enclosure  
as

  
STUART D. EWING  
Captain, CA ANG  
Deputy, Human Resources Officer

DISTRIBUTION:

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**CLAIM FOR RETROACTIVE REIMBURSEMENT FOR FEHB WHILE ON ACTIVE DUTY IN SUPPORT OF A  
CONTINGENCY OPERATION PER PUBLIC LAW 107-107, SECT 519**  
(Complete one form for each period of service claimed)

*Premiums deducted while in a paid leave status (annual leave, military leave, etc.) will not be reimbursed.*

- ☐ Claimants must submit copies of all military orders pertaining to the service period claimed.
- ☐ Claimants who made a payment directly to DFAS by check or money order must attach copies of cancelled checks, duplicate checks, or other supporting documentation.
- ☐ If the claimant is the survivor of a deceased employee, attach the SF 1153, "Claim for Compensation of Deceased Civilian Employee," and a certified copy of the death certificate.
- ☐ Former employees and survivors of deceased employees must provide information for Electronic Funds Transfer (EFT) to a bank or other financial institution:  
Financial Institution Routing Number \_\_\_\_\_ Account Number \_\_\_\_\_

Printed Claimant Name: (Last, First, MI)		Claimant SSN:	FEHB (3 character )Code :
Printed Claimant Current Home Address:			Daytime phone number with Area Code:
Claimant is: <input type="checkbox"/> Current employee <input type="checkbox"/> Former employee		<input type="checkbox"/> Survivor of deceased employee. Name of deceased employee: _____ SSN of deceased employee: _____	
Initial Date of Active Duty: (mm/dd/yyyy)	Ending Date of Active Duty: (mm/dd/yyyy)	Date Returned to Civilian Duty: (mm/dd/yyyy)	
FEHB premiums were: <input type="checkbox"/> Withheld from salary after claimant returned to duty. <input type="checkbox"/> Paid directly to DFAS by check or money order. <input type="checkbox"/> Withheld from an award received while on LWOP. Ending date of the pay period in which the award was paid: _____ (Attached copy of LES)			

**I certify that all statements made in this claim are true and correct to the best of my knowledge and belief.**

\_\_\_\_\_  
**Claimant Signature**

\_\_\_\_\_  
**Date**

*Warning: It is a violation of law to make false or fraudulent claims against the United States or make false statements in connection therewith.*

**HUMAN RESOURCES ENDORSEMENT TO DFAS**

The military orders for the claimant listed above have been reviewed and reflect that the claimant was on active duty with the military in support of a contingency operation and was enrolled in FEHB from \_\_\_\_\_(mm/dd/yyyy) to \_\_\_\_\_(mm/dd/yyyy). The claimant's OPF, or other official records, reflect that the claimant was a civilian employee of DoD with \_\_\_\_\_ (provide component the claimant was employed by during this period e.g., Air Force, Army, Navy, etc.), at the time called to perform active duty for the period of service reflected in this claim.

Place the Line of Accounting (LOA) on the line below only if the claim submitted is from a former employee or survivor. If designated as Air Force in previous paragraph, then LOA should begin with 57, if Army then 21, if Navy then 17, etc.

LOA: \_\_\_\_\_

\_\_\_\_\_  
Human Resource POC Printed Name, Signature and Phone #

\_\_\_\_\_  
Date

**FEDERAL EMPLOYEES HEALTH BENEFITS (FEHB) RETROACTIVE  
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**QUESTIONS AND ANSWERS**

**Q1.** When does the 18-month period begin?

**A1.** The 18-month period begins with the first day the employee serves on active military duty.

**Q2.** What if the employee is absent performing military service for a period of more than 18 months?

**A2.** Health benefits coverage will be terminated by the Human Resources Office at the end of 18 months.

**Q3.** Will employees be reimbursed for premiums they paid between the time they were released from active duty in support of a contingency operation and the time they exercised their restoration rights?

**A3.** Yes.

**Q4.** What are the tax consequences of this benefit?

**A4.** Section 106 of the Internal Revenue Code provides for exclusion from income of employer provided health benefits, to include premiums. If the premiums were paid with pre-tax dollars under the Federal Employees Health Benefits- Premium Conversion (FEHB-PC) then the employee received the section 106 tax benefit in that year and any reimbursement now of the premium would be taxable income to the employee. If the employee paid the premium with after-tax dollars, then any reimbursement now would be tax-free and the section 106 tax benefit is realized in the year reimbursed. Neither situation would require any correction to a previous W-2. If the reimbursed premiums are taxable income, they will be reflected in the W-2 for the tax year in which the reimbursement is received.

**Q5.** What if the employee paid the premiums with after-tax dollars and included the FEHB premiums in the medical expenses as an itemized deduction when filing a tax return for a prior tax year?

**A5.** The employee should consult a tax advisor for specific guidance on how to handle such situations, but generally, such reimbursed itemized deductions are included as income in the tax year in which they are received.

**Q6.** Is there a time limit for filing retroactive claims?

**A6.** Based on the Statute of Limitations, a claim may be filed for a period of up to six years. Since Public law 107-107, Section 519, which created the legal basis of the claim, became law on 28 December 2001, the six-year period for filing retroactive claims will continue until, at the earliest, 28 December 2007.

**Q7.** Does the soldiers and Sailors Civil Relief Act have any affect on the six-year period?

**A7.** Under a provision of the Soldiers and Sailors Civil Relief Act, the time the employee is on active duty will not count in determining when the six-year period ends.

**Q8.** What recourse will be available if a claim is denied?

**A8.** All claims must comply with the requirements set forth in TAAI 05-18, dated 30 March 2005 and must be supported by sufficient documentation. If the payroll office denies payment, the claimant will be advised then regarding available recourse.